DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT Division of Housing Policy Development

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March 25, 2005

Mr. Pat West, City Manager City of Paramount 16400 Colorado Avenue Paramount, CA 90723-5012

Dear Mr. West:

RE: Review of the City of Paramount's Adopted Housing Element

Thank you for submitting the City of Paramount's housing element, amended and adopted by the City Council on January 3, 2005, and received for review on January 11, 2005. As you know, the Department is required to review adopted housing elements and report findings to the locality pursuant to Government Code Section 65585(h).

The Department's October 29, 2004 review found the draft revisions addressed the statutory requirements. Since the adopted element is substantially the same as the draft, the Department is pleased to find the housing element in compliance with State housing element law (Article 10.6 of the Government Code).

The adopted element includes programs that commit the City to encouraging and promoting infill development opportunities on the available underutilized sites as listed in Table 4-4. As described in the element, development on these sites is one the City's primary strategies for accommodating its regional housing need, particularly for lower-income households. The City should use the annual general plan implementation reporting process, pursuant to Government Code Section 65400, to monitor, evaluate, and report on the effectiveness of its housing and community development implementation actions, with a focus on program actions 5.3.1 and 5.3.2 (Affordable Housing Programs), 5.3.20 (Underutilized Parcel Information and Promotion), and 5.3.21 (Other Programs to Create Affordable Housing). The annual implementation reports are required to be completed and submitted to the local legislative body and the Department by October 1 of each year.

Because the City of Paramount's adopted housing element is in compliance, the City has met one of the threshold requirements for an innovative new program that rewards local governments for approving affordable workforce housing. The Workforce Housing Program, funded by Proposition 46, provides grant funds to eligible local governments for every qualifying unit permitted, beginning calendar year 2005.

Grant awards can be used to fund any capital asset project, such as transportation or park improvements. More specific information about the program is available on the Department's website at http://www.hcd.ca.gov/ca/whrp/. It is important to note that in addition to housing element compliance, the City must submit an annual report on the implementation of the housing element in accordance with Government Code Section 65400, by December 31, 2005 to be eligible for funding.

For your information, recently enacted legislation (Chapter 706, Statutes of 2002 and Chapter 10, Statutes of 2004; Government Code Section 65863) requires Paramount to ensure its inventory of adequate sites can accommodate its share of the regional housing need <u>throughout</u> the planning period. Government Code Section 65863(b) also prohibits local governments from lowering a residential density used in determining adequate sites under its housing element unless the locality makes certain findings.

Further, Government Code Section 65589.4 was added by Chapter 793, Statutes of 2003 (SB 619) to provide more certainty and simplify procedural requirements for approving multifamily projects in multifamily zones. The law also requires multifamily uses not be subject to a conditional use permit in multifamily zones if specific requirements are met. Lastly, recently enacted legislation, Chapter 724, Statutes of 2004 (AB 2348) amended housing element law and is enclosed for your use.

The Department wishes the City of Paramount much success in implementing its housing, land-use, and development assistance programs, and looks forward to following the City's annual progress and achievements through its forthcoming general plan implementation progress. If the Department can provide any additional assistance in implementing the City's housing element, please contact Don Thomas, of our staff, at (916) 445-5854.

In accordance with their requests pursuant to the Public Records Act, we are forwarding a copy of this letter to the individuals listed below.

Sincerely,

Cathy E Creswell
Deputy Director

Cathy L. Creswell

Enclosure

cc: Joe Perez, Community Development Director, City of Paramount John Carver, Community Development Manager, City of Paramount